

State of Rhode Island and Providence Plantations

Public Utilities Commission

Minutes of Open Meeting Held on February 20, 2002

Attendees: Chairman Elia Germani, Commissioner Kate Racine, Commissioner Brenda Gaynor, Steve Frias, Cindy Wilson, Thomas Massaro, Alan Nault, Doug Hartley and Luly Massaro.

Chairman Germani called the open meeting to order at 10:00 AM in the first-floor hearing room of the Public Utilities Commission. A quorum was present.

Minutes of February 15, 2002: Chairman Germani asked for a motion and Commissioner Racine moved to approve the minutes. The motion was seconded by Commissioner Gaynor and unanimously passed. **Vote 3-0.**

Competitive Telecommunications Service Providers

2262(R16) – Horizon Telecom, Inc. – The Company registered to operate in RI as a Competitive Local Exchange Carrier. The Division has reviewed the registration and recommends approval. After review, Chairman German asked for a motion and Commissioner Racine moved to approve the registration. The motion was seconded by Commissioner Gaynor and unanimously passed. **Vote 3-0.**

2262(M1) – Talk America, Inc. – The Company submitted tariff revision to its local intrastate tariff for effect April 1, 2002. After review, the Commission followed the Division's recommendation that the tariff filing be allowed to go into effect without suspension.

2472 – Sprint Communications – The Company submitted tariff revision to its local intrastate tariff for effect March 18, 2002. After review, the Commission followed the Division's recommendation that the tariff filing be allowed to go into effect without suspension.

3419 – Verizon Rhode Island: The Company filed to revise RIPUC No. 18, Part E, Sections 1 & 2 for effect March 3, 2002. The tariff revision will: 1) create a 45-business day provisioning interval for specified collocation augment requests, and 2) revise the DC power inspection and penalty language for collocation and provide that any penalty payments be allocated to the American Red Cross. The Division has reviewed the filing and does not recommend suspension.

It was noted that this filing emanated from a Settlement between Verizon, Sprint and Covad and was approved by the Pennsylvania Public Utility Commission. The resulting impact from the Settlement on collocation services is being passed throughout the Verizon service territory.

After review, Commissioner Racine expressed that she would like the penalty payment to be allocated to a Rhode Island based charitable organization. Commissioner Gaynor supported the proposed tariff revision, however, she requested that Verizon report to the Commission of when and how much of the penalty payments are made, and that the Commission should decide where the funds are to be allocated. The Commission unanimously agreed that the tariff revision be allowed to become effective, however, the language on the tariff be modified to reflect that the penalty payments will be allocated to a charitable organization to be designated by the Commission.

2681 & 3363 – Verizon Rhode Island: Verizon filed to revise tariff pages to RIPUC No. 18, Part M, Section 2, Pages 9, 11 & 12. Verizon proposed the following revisions:

- 1) To reduce rates for analog port rate by \$2.29 from its current level of \$4.15.
- 2) To reduce the originating and terminating local switching rates from the current levels of \$0.002921 and \$0.002563 to \$0.001358 and \$0.001192, respectively.
- 3) To reduce the Unbundled Telephone Company Reciprocal Compensation and Unbundled TC Reciprocal Compensation that are equivalent to the proposed decrease in the terminating and originating local switching rate.

The Division filed a letter indicating that it can neither approve nor disapprove of the cost basis upon which Verizon's proposed rates are based, however, it supports that the reductions in rates will enhance competition.

Commissioner Gaynor supported Verizon's proposed reductions to the UNE rates. She noted that WorldCom submitted a response to Verizon's filing indicating that it is generally in favor of the reductions, however, Verizon has not lowered all the UNE rates to the level of the New York UNE rates. Commissioner Gaynor noted that the UNE rates would be addressed and examined in the next TELRIC proceeding and moved to approve the proposed reductions. The motion was seconded by Commissioner Racine and unanimously passed. **Vote 3-0.**

The open meeting adjourned at 10:20 A.M.